

# EXECUTIVE DIRECTOR'S MONTHLY REPORT

## JANUARY 2006

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Each month I establish, with input from the Directors, the priority issues on which management and the staff focus. This report summarizes the work that was accomplished during the month as well as other items I feel will give the Council a better understanding of what the staff and I are doing to accomplish our performance objectives.

### **I. Improve the efficiency and accountability of management within the organization**

- CFO Heather Copp has officially left SCAG, and on December 12th, Bert Becker, former CFO, assumed the role of Interim CFO until recruitment of the CFO position can be completed.
- The SCAG Audit Committee received a presentation from KPMG on the final audit report. The audit was to be presented to the Regional Council in January but it is still not finalized and is going through final KPMG internal review. It should be ready for RC review in February.
- The Audit Committee talked with Maura Twomey from Caltrans regarding training by Caltrans for the subregions, to be held January 11, 2006. However, it has to be cancelled and will be rescheduled.

### **II. Provide support to the Regional Council in providing direction and Leadership to SCAG**

- On December 5th I briefed David Ryu, Deputy for Yvonne Burke, on Goods Movement.
- On December 6th I, Hasan Ikhata, and Don Rhodes met with Los Angeles Mayor Antonio Villaraigosa senior transportation staff at the Los Angeles City Hall. Representatives of Mayor Villaraigosa's staff included Deputy Mayor for Transportation Jaime de la Vega, Associate Director of Transportation Jim Bickhart and Transportation Policy Analyst Borja Leon. We gave the mayor's staff a briefing on the SCAG goods movement initiative and how it relates to legislation, such as Senator Perata's SB 1024, which will be considered during the coming months in the California Legislature. One topic of particular importance is the institutional framework for the funding, construction and operation necessary components of the goods movement system. We also discussed SCAG's participation in new planning efforts for the Los Angeles Regional Airports now that the existing plan has been withdrawn.
- On December 9th I, Hasan Ikhata, Karen Tachiki, and Heather Copp attended the Region-wide CEO Meeting. Three items were discussed. The first item was the comments on the Thailand Trade Agreement. The CEO's and myself decided to submit comments to the federal agencies. The comments focused basically on identifying the impact of such an agreement on our region. The second item was the MOU with the federal and state agencies. The CEOs of the Commissions pledged \$35,000 and staff from each of the Commissions to work on finalizing the MOU which include getting the signatories from the federal and state agencies. The third item included the institutional arrangement to implement the

Goods Movement project. The CEO's requested that SCAG arrange a meeting of the President/Chairperson of each Commission and SCAG, along with the Executive Directors of each agency to discuss at a policy level possible institutional arrangements for Goods Movement Implementation. Staff is attempting to schedule the meeting for sometime in January.

- Southwest Compact Task Force December 15, 2005 Meeting. Following up on the success of the September 29th Southwest Compact Bi-National Hearing the members of the Southwest Compact Task Force (Hon. Gene Daniels, Paramount; Hon. Richard Dixon, Lake Forest; Hon. Jon Edney, El Centro; Hon. Kathy McCullough, Lake Forest; Hon. Greg Pettis, Cathedral City; and Hon. Toni Young, Port Hueneme) received a presentation from Mr. David Perez-Tejada, International Relations Director, City of Mexicali, Mexico representing the Mayor of Mexicali. David outlined a substantive proposal for a Southwest Compact Summit to be held in Mexicali. The Southwest Compact Task Force agreed to hold the next Southwest Compact Summit in Mexicali on April 26 – 27, 2006 and to invite representatives from the throughout the Southwest United States and other northern Mexico states. The next Southwest Compact Task Force meeting is scheduled for January 19, 2006 and the task force members wish to extend an invitation for elected officials and others that want to participate to attend the next meeting.
- On Friday, December 16, 2005 the Hon. Ron Roberts, Chairman of SCAG's Tribal Government Relations Task Force, and Task Force members the Hon. Margaret Clark and the Hon. Robin Lowe represented SCAG at a meeting with Tribal Governments hosted by the Torres-Martinez Desert Cahuilla Indians. The Hon. Raymond Torres, Chairman of the Torres Martinez Indians thanked SCAG for their attendance and offered encouraging words regarding participation in the regional planning process. The purpose of the meeting was to provide the Tribal Governments with another opportunity to ask questions and provide comments regarding the draft by-laws that establish a role for Tribal Governments in SCAG and for SCAG to learn about Tribal Governments. Hasan Ikhrata, Director of Planning & Policy spoke about SCAG's plans and programs and Karen Tachiki, Chief Legal Counsel presented the draft by-laws. Mr. Joe Loya, Property Resource Manager, and Torres Martinez gave a presentation on Tribal Governance, the role of Tribal Councils and how the tribal membership elects members to represent the tribe.
- On December 19th I gave a presentation on Compass, Goods Movement, and Global Gateways to Cerrell Associates, Inc.

### **III. SCAG Operations**

- Recruitments

Director of Intergovernmental Relations - Second interviews with the top four candidates will be held by Executive Management and RC members on January 12th. The final selection is expected in January.

Chief Financial Officer - a nationwide search is underway with the initial review of applications on January 27, 2006.

Manager of Finance - a search is underway with the initial review of applications on January 27, 2006.

Several other staff level recruitments are underway.

- Employee Benefits. SCAG changed life and disability insurance carriers in December resulting in enough premium savings to add an Employee Assistance Program for all staff. The new plan went into effect December 1st at no additional cost to SCAG. Employee orientation training was provided to all employees on the new program in January.
- Employee Wellness Program. Human Resources implemented a monthly focus on wellness campaign in January 2006. All employees were provided with an annual Wellness calendar with monthly themes. Monthly health and wellness brown bag sessions will be offered to employees each month to promote the campaign and SCAG's commitment to a healthy workforce.

#### **IV. Implement Adopted Regional Plans**

- Compass 2% Strategy Update. This month SCAG entered into a multi-year contract with Fregonese Calthorpe Associates to assist in Compass implementation and growth forecasting. One of our first priorities will be to develop the scopes of work for our first round of 2% Strategy Demonstration Projects. We are pleased to announce that we will be partnering with the Cities of Montclair and Rolling Hills Estates and Supervisor Yvonne Burke's District in Los Angeles County on local plans/projects that are consistent with the Compass Principles. We are continuing to accept applications for additional Demonstration Projects for our next round of selection. I ask that you to encourage your colleagues to apply for these free resources.
- Goods Movement. Staff continues to present and seek peer review on the Port and Modal Elasticity Study and our related work on the value of productivity gains to shippers and transportation companies. To date, the Port and Modal Elasticity Study has received much attention and has been referenced in a number of goods movement initiatives and articles.

SCAG also continues to participate in the development of Phase II of the State Goods Movement Action Plan. I represent SCAG on the Integrating Working Group and as co-chair of the Community Impact Mitigation and Workforce Development working group along with Angelo Logan of East Yard Communities for Environmental Justice. On December 14th, a meeting of the Community Impact Mitigation and Workforce Development Working Group was held in Long Beach as part of the state's Goods Movement Action Plan. This was the working group's third meeting, and it was attended by about 45 members of the community, business representatives, educational groups, and local government. The participants agreed that it should become a matter of state policy for new goods movement projects to have a Community Advisory Committee similar to that used for the I-710 process. This approach would help to ensure that infrastructure development and environmental impact mitigation can progress simultaneously. It will also help to ensure that no action is taken that will worsen any existing impact.

A Southern California comment letter is currently being drafted on the environmental review of the proposed U.S.-Thailand Free Trade Agreement. The intent of the comment is to emphasize to the federal government the localized impacts of international trade and the federal obligation to assist in addressing those impacts. This item has been agendaized for action by the SCAG Regional Council on January 5th. SCAG will submit comments with any revisions as needed.

## V. Develop Additional Planning Efforts

- Blueprint Grant Application. We've received confirmation from Caltrans that SCAG has been awarded between \$1,119,000 and \$1,258,450 for Year 1 (FY2005-2006) of our Blueprint grant application. The final amount will be based on a review of our updated scope of work submitted in December 2005. Awards for Year 2 will be subject to the success of Year 1 and will require reapplication by July 1, 2006. We are confident that the success of our Year 1 work program will merit additional funds to complete our proposed work program to achieve regional land use, transportation and housing goals through regional and local decision-making.
- 2005/2006 Economic Forecast Conference, January 26, 2005. On January 26, SCAG will stage its ninth annual Regional Economic Forecast Conference. Each year staff chooses a different venue for this event in various locations around the region. The venue chosen is one that will attract a substantial audience to hear the economic outlook for the region. This year the conference will be held in the beautiful Front Runner restaurant at Santa Anita Park in Arcadia. In keeping with the venue the theme for this year's conference is "The Race is On . . ."

In addition to the always well received economic forecasts for the SCAG region and its counties for the next two years, I will moderate a panel of experts in various fields who will be addressing the high stakes "races" that the region risks losing: the races to reduce congestion and pollution, to provide adequate and affordable housing, to create enough jobs, and to compete in the global economy. The panel's topics are linked to SCAG's new State of the Region report, which will be released about two weeks prior to the Conference.

To produce the conference, staff formed two teams: a Program Planning Group, headed by the Hon. Jon Edney, councilmember from the City of El Centro and a Regional Council member, developed the theme and program. A Production Team developed strategies for funding and conference logistics. All RC members and policy committee members are invited to attend at no charge. Please contact Bruce DeVine.

- Air Quality. Under State law, SCAG is responsible for preparing and approving portions of the Air Quality Management Plan (AQMP) for the South Coast Air Basin and the Coachella Valley. SCAG has been coordinating with the Air District, the Air Resources Board, and other agencies to begin the development of the Draft 2007 AQMP. In December, staff participated in the first of a series of monthly meetings of the South Coast Air Quality Management District's Advisory Group for the 2007 AQMP.
- CEQA Reform. Staff continues to participate in statewide legislative discussions on CEQA and other planning and development issues. The Regional Council, in December, provided guidance for staff within the context of the Legislative Program.
- SAFETEA-LU Implementation. Jim Gosnell and others attended the CALCOG/Regional Coordination Group Meetings in Sacramento on November 14th to discuss numerous aspects of implementing the legislation at the State level. There was an additional meeting with several MPOs and Caltrans to review the distribution formula used by the State for FHWA planning money. There will be no change to the formula.
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The Schwarzenegger Administration has concluded the formal efforts of its CEQA Advisory Group by its meeting on December 13, 2005 which I and members of the staff attended. The basic premises involved in the discussions are that a statewide planning and regulatory scheme should facilitate the following:

- Housing production adequate to meet the statewide, regional, and local need
- Protection of the environment focusing on habitat and open space
- Protection of productive farmland
- Orderly and efficient land use and development that facilitates transportation and air quality performance

Further, these basic objectives should be met by undertaking planning processes that are geared to meet distinct, quantifiable performance standards for housing, environmental protection, and transportation. Finally, the working group process has sought to bring forward finance proposals that support these various activities.

Two workshops of the Regional Council and its Policy Committee are scheduled for January 2006 in order to discuss in more detail the concepts that have emerged from this effort. At this time, there are no additional meetings of the CEQA Advisory Group scheduled. SCAG staff expects that the administration and other participants will come forward shortly with detailed legislative proposals, with subsequent discussions to follow.

## **VI. Data & Planning Methods**

### **Performance Assessment and Monitoring**

- 2005 State of the Region Release. Staff will provide a copy of the 2005 State of the Region Report and Report Card to Regional Council Members at the January 5, 2006 meeting. A press conference is also scheduled on January 5th, from 10:00 am to 11:00 am, at SCAG offices. The press conference will be moderated by Mayor Ron Loveridge who has been serving as the Chair of the Benchmarks Task Force that provides guidance to staff on the State of the Region efforts. Other press conference panelists are scheduled to include SCAG President, SCAG 1st Vice President, Benchmarks Task Force Vice Chair and SCAG Executive Director. At the November 2005 meeting, staff briefed the Regional Council on highlights of the 2005 State of the Region Report.
- Travel Model Improvement. Training in the operation of the new SCAG Travel Simulation Model using TransCAD modeling software was conducted by the Caliper Corporation during December with participation by staff from SCAG, Los Angeles DOT, and Caltrans. The training included intensive reviews of each model component as well as the programming language that will enable users to develop, refine and customize specialized applications and reports of model output.
- The USDOT's Volpe Center from Cambridge, MA is collaborating with ISD staff in conducting the 3rd and final national expert and peer review on the SCAG Travel Model Improvement Project to be held on

January 9-10, 2006. Noted modeling experts from FHWA, FTA, MPOs, universities, and private consultants have been selected to participate in this peer review.

## **VII. Legislative Program**

- On December 13th, Senator Torlakson hosted a field hearing at SCAG on S.B. 1024, a \$10.275 billion infrastructure bond measure that includes funding for transportation, housing, water quality and flood control. I gave a presentation on what this bill means for Southern California and received favorable responses from Senators. Once the legislature reconvenes in January, there will be a great deal of activity on this bill and we will be monitoring it closely.
- Staff also continues to work on language pertaining to protection for JPA's under S.B.90 (1972) and on legislation regarding CEQA reform. We are also discussing what tools are needed to allow tribal nations to actively participate in SCAG's JPA.
- SCAG has begun planning the 2006 Southern California Consensus Trip to Washington, DC which is currently planned for the week of February 6th, 2006. Representatives will be advocating support for our regional goods movement strategy as well as looking forward to the reauthorization of AIR-21, the federal aviation bill, and to the upcoming 2009 reauthorization of SAFETEA-LU.

***HAPPY NEW YEAR***